



## **White Cliff Minerals Limited**

**ABN 22 126 299 125**

Half-year report  
31 December 2020

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## **Corporate Information**

### **Directors**

Daniel Smith  
Nicholas Ong  
Ed Mead  
Michael Soucik

### **Company secretary**

Nicholas Ong

### **Registered office and principal place of business**

Level 8, 99 St Georges Terrace  
Perth, Western Australia 6000

Telephone: (08) 9486 4036  
Facsimile: (08) 9486 4799  
Website: [www.wcminerals.com.au](http://www.wcminerals.com.au)

### **Share registry**

Computershare Investor Services Pty Ltd  
Level 11, 172 St George's Terrace  
Perth, Western Australia 6000

### **Auditors**

HLB Mann Judd (WA Partnership)  
Level 4, 130 Stirling Street  
Perth, Western Australia 6000

### **Solicitors**

Atkinson Corporate Lawyers  
Level 8, 99 ST Georges Terrace  
Perth, Western Australia 6000

### **ASX code**

White Cliff Minerals Limited is listed on the Australian  
Securities Exchange (Shares: WCN, Options: WCNOE)

## Directors' Report

Your Directors present their report on the Group consisting of White Cliff Minerals Limited ("White Cliff" or "the Company") and the entities it controlled during the half-year ended 31 December 2020.

### Directors

The following persons were Directors of White Cliff during the whole of the period and up to the date of this report unless otherwise stated:

Michael Soucik – *Non-executive Chairman*  
Nicholas Ong – *Non-executive Director*  
Daniel Smith – *Non-executive Director*  
Ed Mead – *Non-executive Director*

### Review of Operations

#### Exploration Summary

White Cliff controls tenement packages in Western Australia's Yilgarn Craton and Paterson Province.

In Western Australia the Company is exploring several projects with the primary focus on the Reedy South Gold Project near Cue, the Midas copper-gold projects in the Paterson Province, and the Ghan Well and Coronation Dam cobalt and nickel projects.

The acquisition of the Reedy South Gold Project was announced 14 September 2020. In October 2020, the Company declared a maiden JORC compliant mineral resource estimate (**MRE**) at the Reedy South project of 779,000 tonnes at 1.7 g/t Au for 42,400 ounces of gold.

#### Reedy South Gold Project (100%)

On 14 September 2020, the Company announced that it had entered into binding tenement sale agreements to acquire 100% (**Terms Sheet**) of M20/446 and E20/969, E20/971 & E20/972 (the **Reedy South Gold Project** or the **Project**) from Harley James Sears and Wakeford Holdings Pty Ltd (in respect of M20/446) (**Wakeford Parties**) and Bonanza Resources Pty Ltd (in respect of E 20/969, E20/971 & E20/972) (**Bonanza**).

#### **Project Overview**

The Project covers 272km<sup>2</sup> of the highly prospective Cue goldfields, centred on the southern portion of the prolific Reedy Shear Zone, within the Meekatharra-Wydege greenstone belt (**Figure 1**). The Project comprises one granted mining lease (M20/446) covering the historic underground workings of Pegasus and King Cole, a granted exploration and prospecting license (E20/938 & P20/2289) and four exploration license applications (E20/969, E20/971, E20/972 & E20/974).

The Project is situated 40km north of Cue, via the Great Northern Highway and is 80km south of Meekatharra.

The Project is situated within the prolific Cue-Meekatharra gold district, home to Reedys (1.6moz) and Day Dawn (2.6moz) gold deposits, with two mills operating within 60km of the Project. Following the preliminary due diligence, White Cliff believes in the potential of the current targets to host a regionally significant resource, particularly given the lack of systematic exploration. Historical exploration at the Reedy South Gold Project has been limited to surface prospecting, geochemistry, and broad spaced shallow drilling with exploration over the past decade constrained by funding.

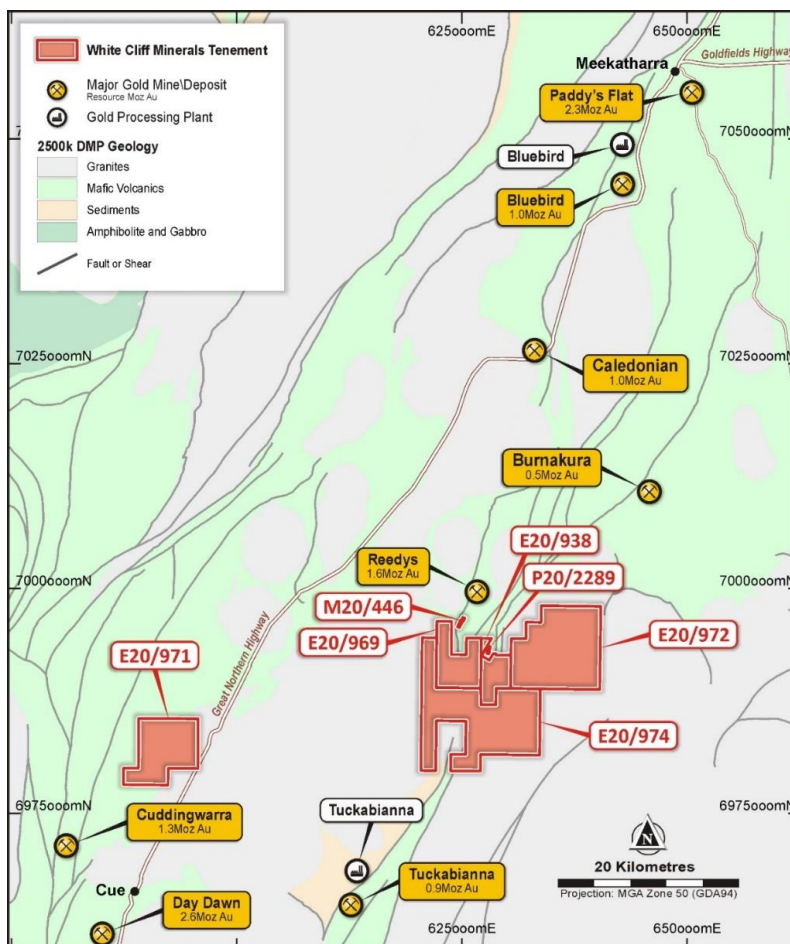


Figure 1: The Reedy South Gold Project Location

### Maiden JORC Resource

On 29 October 2020 the Company announced a maiden MRE for the Reedy South Gold Project. The MRE, prepared by Auralia Mining Consultants, contains a JORC 2012 compliant resource of **779,000 tonnes at 1.7 g/t Au for 42,400 ounces of gold**.

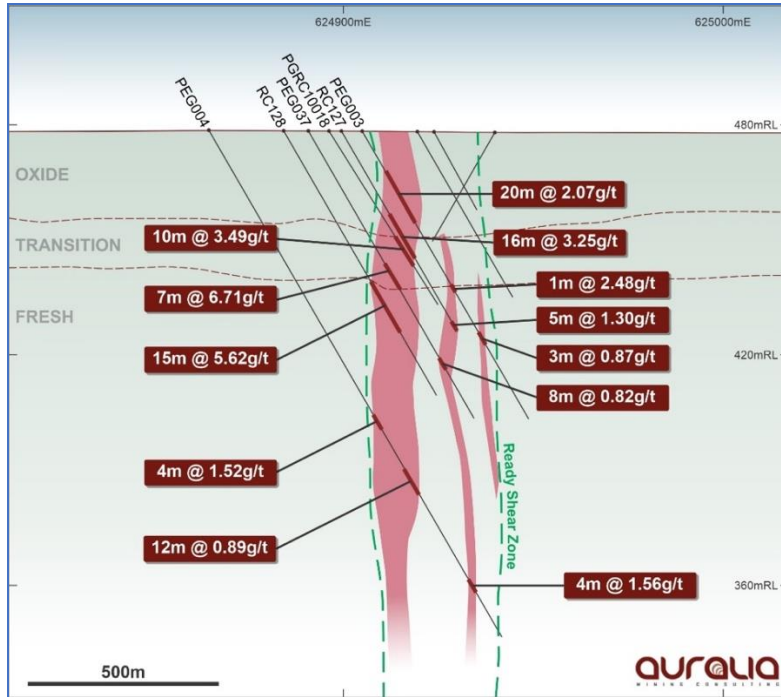
### RC Drilling Program

The Company commenced its maiden RC drilling program at the Reedy South Gold Project (M 20/446) in mid-November 2020. The program was upsized from 3,000 to 4,500m+ through the inclusion of a second, larger drill rig. The smaller RC rig was employed on shallower (~60-80m) infill drillholes and testing strike extensions, while the larger rig, rated to 350m, aims to target mineralisation at the Pegasus and King Cole prospects at depth. (Figures 2 & 3) ~3,000 of the RC program was completed in the December quarter, with assays despatched to ALS Laboratory in Perth for fire assay. The balance of the RC program has recently commenced. Significant results from the first 38 completed holes included:

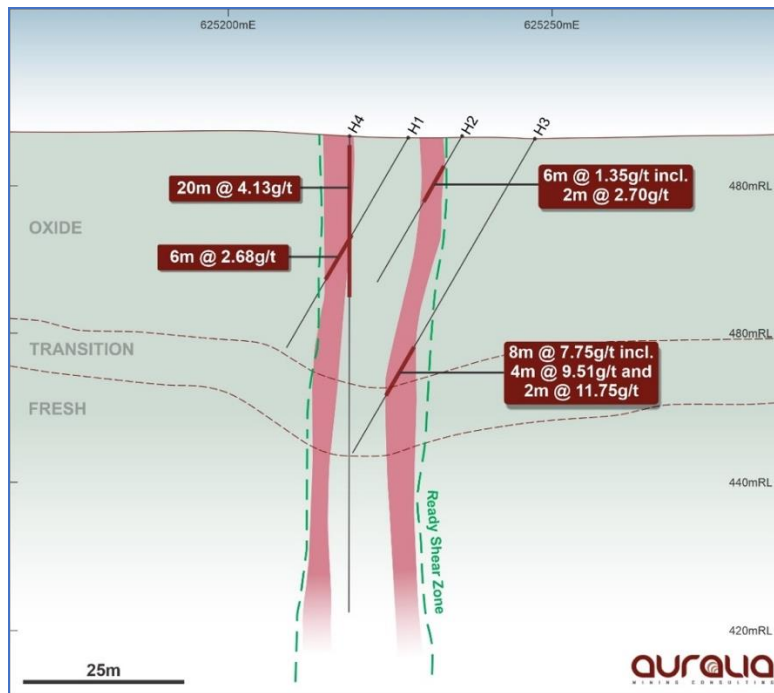
- o 11m @ 3.19 g/t Au from 51m including 3m @ 8.87 g/t Au (RSRC021)
- o 7m @ 3.16 g/t Au from 53m (RSRC010)
- o 11m @ 2.29 g/t Au from 21m (RSRC007)
- o 6m @ 2.96 g/t Au from 18m (RSRC014)
- o 12m @ 1.49 g/t Au from 77m (RSRC024)
- o 13m @ 1.07 g/t Au from 7m (RSRC022)
- o 8m @ 1.44 g/t Au from 27m (RSRC023)
- o 7m @ 1.60g/t Au from 48m including 3m @ 2.86 g/t Au (RSRC033)

- o **8m @ 1.06 g/t Au** from 48m and **16m @ 1.74 g/t Au** 72m (RSRC003)
- o **7m @ 1.50 g/t Au** from 48m (RSRC004)<sup>1</sup>

The exploration program was designed to extend known mineralisation at depth and along strike to feed into future resource upgrades and to target high grade ore shoots identified by previous drilling at Pegasus and King Cole prospects.



**Figure 2:** Cross section looking north (Pegasus prospect)



**Figure 3:** Cross section looking north (King Cole prospect)

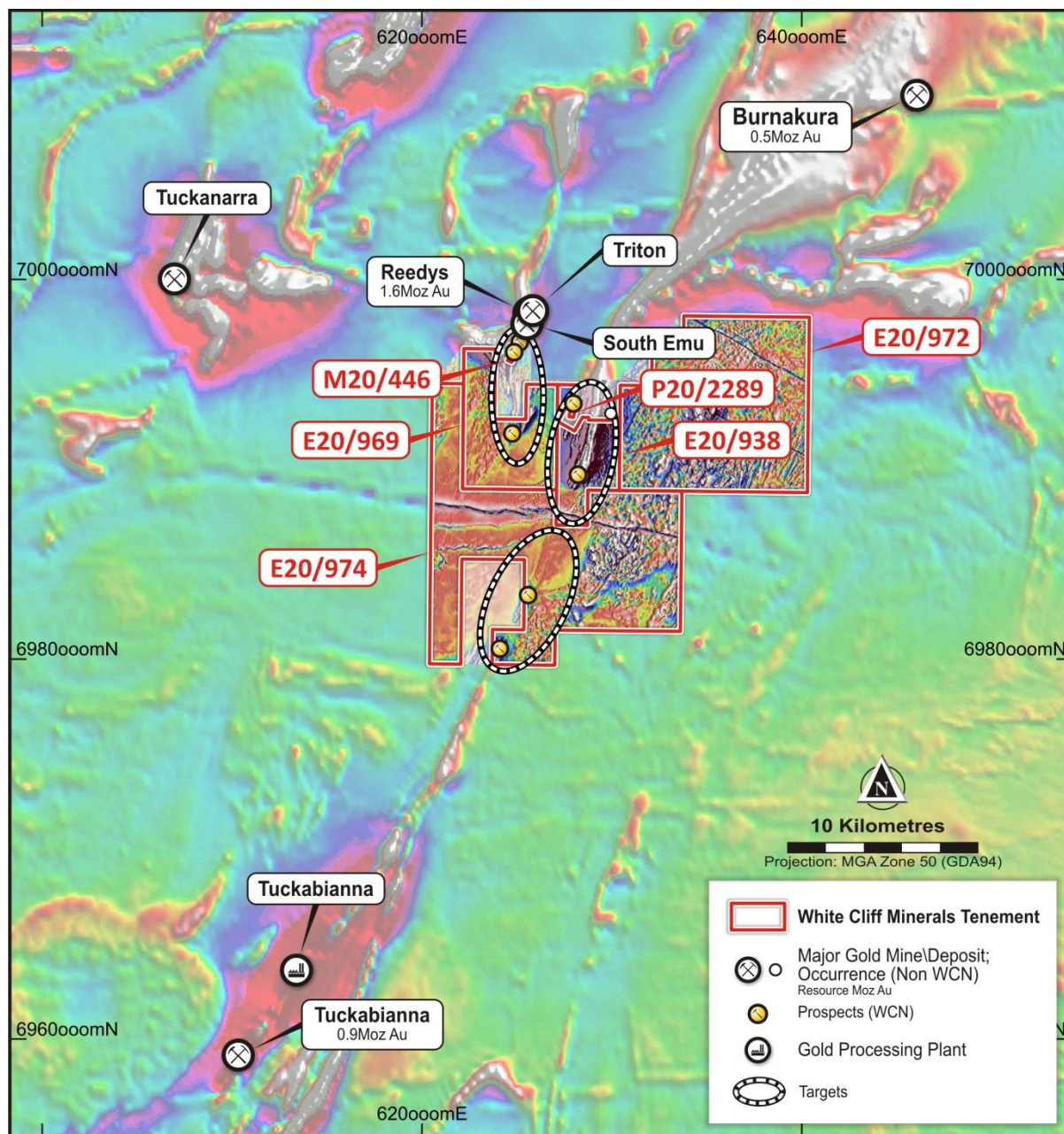
<sup>1</sup> Refer announcements on 21 January & 25 January 2021



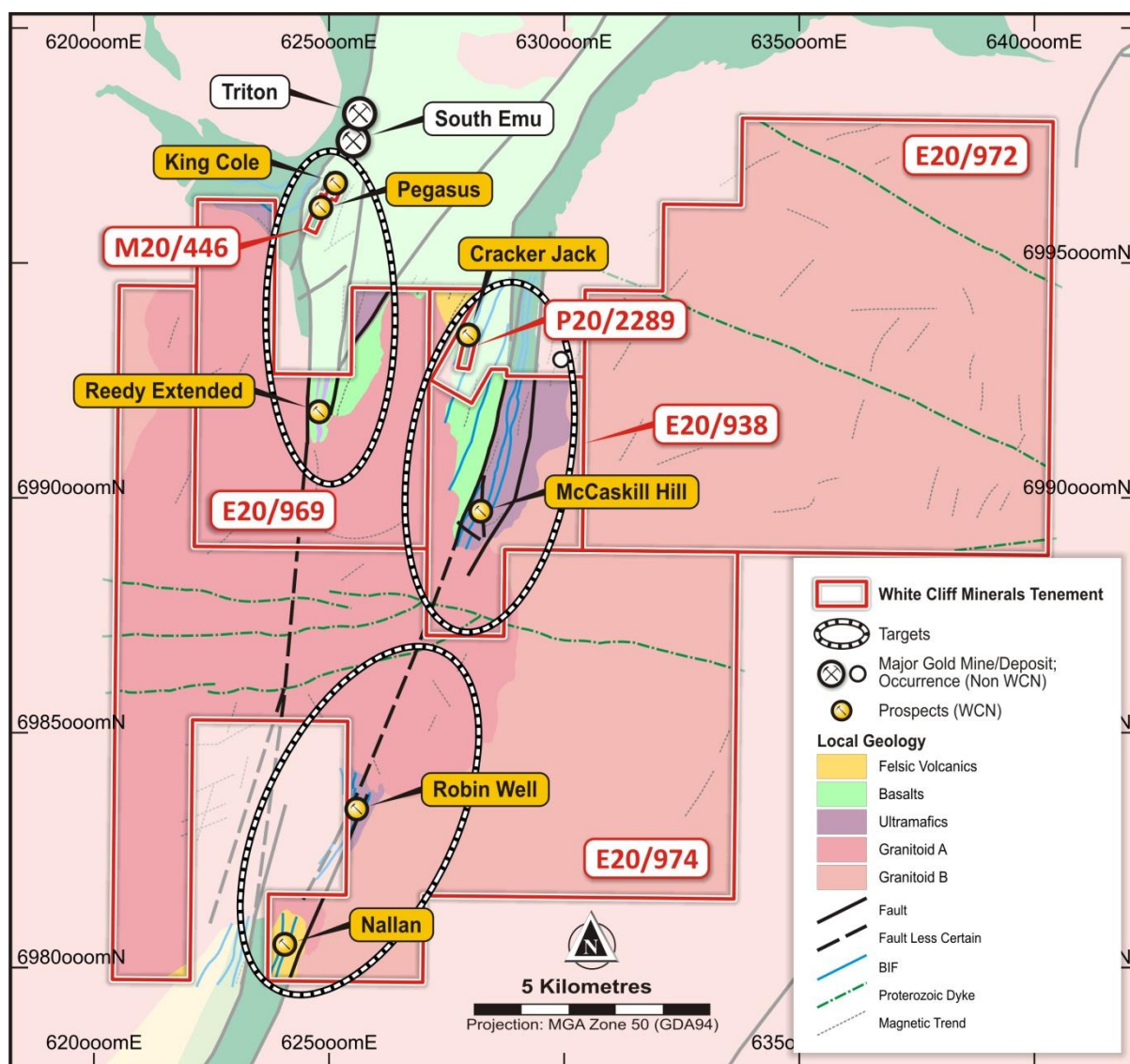
## Airborne Magnetic Survey

The Company completed an aeromagnetic survey comprising of ~6,100-line kilometres at 50m line spacing in December 2020 across the Company's Cue gold tenements. The results of the aeromagnetic survey were reviewed by the Company's technical team in conjunction with Southern Geoscience and CSA Global, led to the identification of three priority target areas (**Figures 4 & 5**), that contain a number of high-priority prospects based on historical exploration, favorable geology and/or structural targets across the Reedy South tenement package, including:

- o King Cole, Pegasus and Reedy Extended (incorporating M20/466 and E20/969)
- o Cracker Jack and McCaskill Hill (incorporating P20/2289 and E20/938)
- o Robin Well and Nallan (consisting of the southern portion of E20/974)



❖ **Figure 4:** Aeromagnetic survey across the Reedy South tenement package, highlighting the three key prospect areas associated with the Reedy and Burnakura Shear Zones



**Figure 5:** The Reedy South Gold Project over simplified geology interpreted from airborne magnetics and mapping

### Prospect Overview

The target areas are underlain by narrow, north – striking greenstone belts (Reedy Shear Zone and Burnakurra Shear Zone) consisting of metamorphosed basalt, dolerite, gabbro, parashist, and banded iron formations (BIFs), and is intruded by felsic dykes. Foliated granite bounds the greenstone belts to the east and west.

WAMEX reports refer to a number of small prospecting pits sunk on quartz veins within the mafic units and sporadic RAB drilling associated with BIF at McCaskill Hill and Cracker Jack, while Reedy Extended has been identified through geophysics and structural interpretation. Robin Well and Nallan, in the southern portion of the Reedy South project, are associated with geophysical targets and historical, yet sporadic, exploration.

### Next Steps

Following completion of the ongoing database compilation and interrogation, the Company has commenced an initial exploration phase, including geological traverses to locate, map, and sample structures and workings containing quartz veining or BIF to gauge the potential tenure of the mineralisation and guide future exploration programs. The field work also includes grid-based geochemical sampling and rock chip programs.

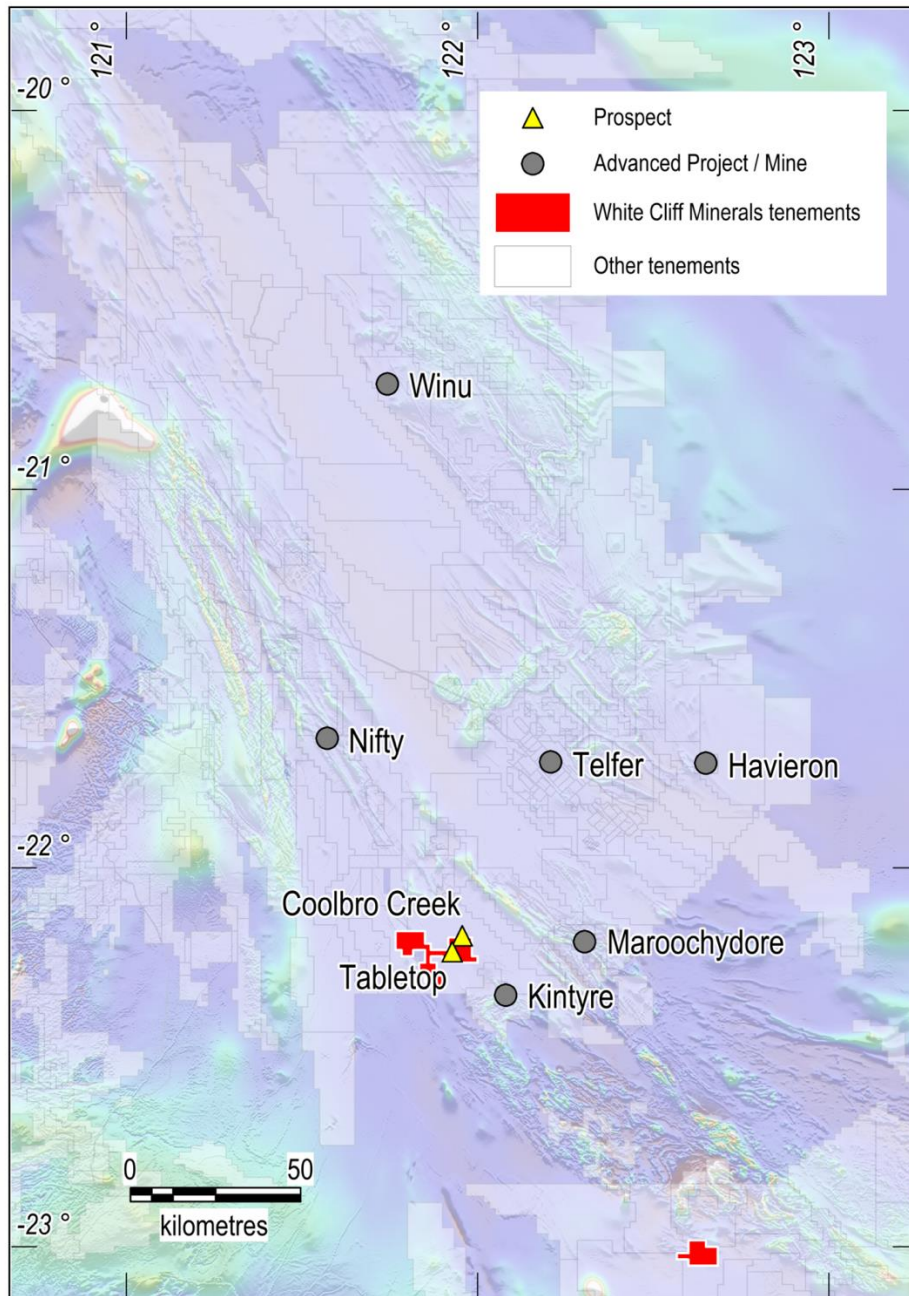


**Midas Cu-Au (100%)**

The Midas copper-gold project consists of two tenements, Table Top (E45/5107) and Coolbro Creek (E45/5112), within the highly sought-after Paterson Province, in Western Australia (**Figure 6**).

**Project Overview**

The Paterson Province comprises a Paleoproterozoic basement of Rudall Complex metamorphic rocks overlain by Neoproterozoic sediments of the Yeneena and northwestern Officer Basins, and Paleozoic Canning Basin sediments to the northeast. The province hosts several world-class deposits: Telfer gold-copper mine, Nifty copper mine and Kintyre uranium deposit. The recent Winu and Havieron discoveries are being considered as intrusion-related copper-gold mineralisation hosted in buried Yeneena Basin sediments on the Anketell Shelf. They are located proximal to major NW to NNW-trending faults.

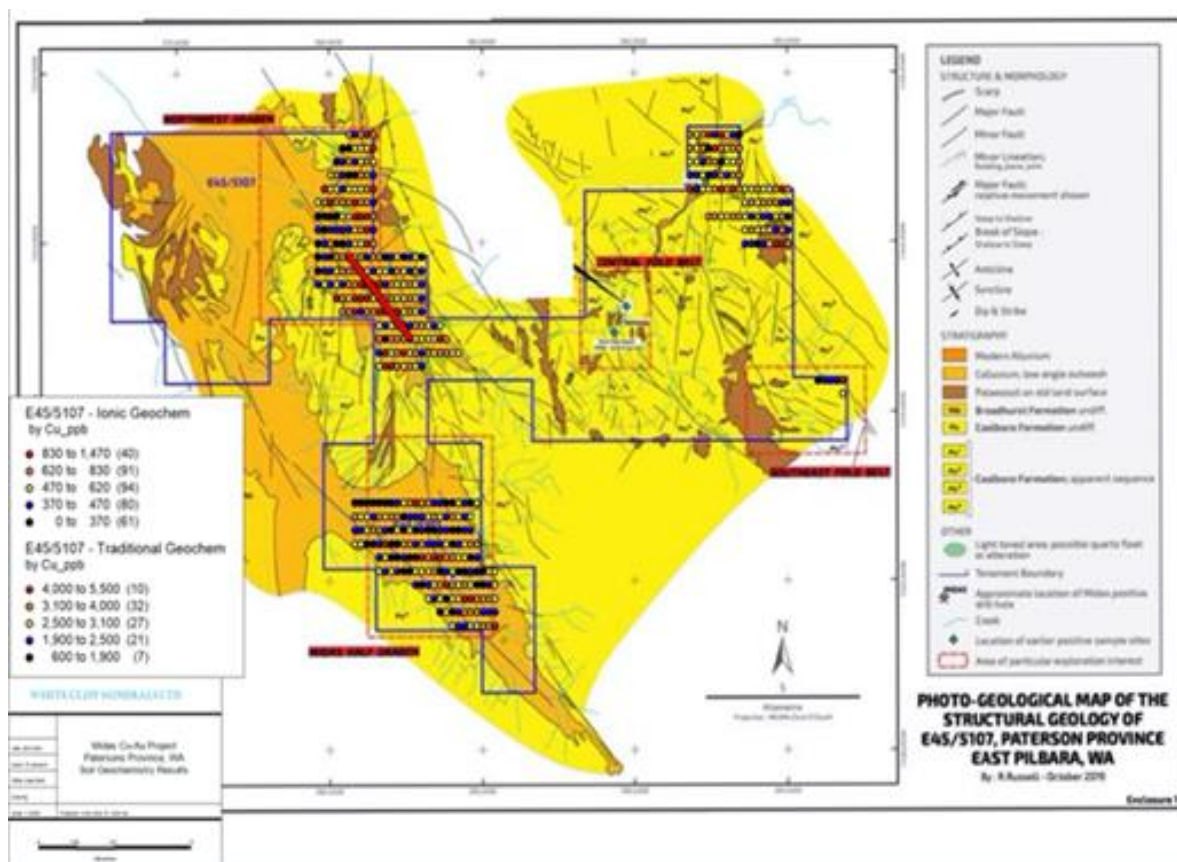


**Figure 6:** Midas Cu-Au Project location (E45/5107 and E45/5112) to significant projects in the Paterson Province overlying the regional airborne RTP magnetics.

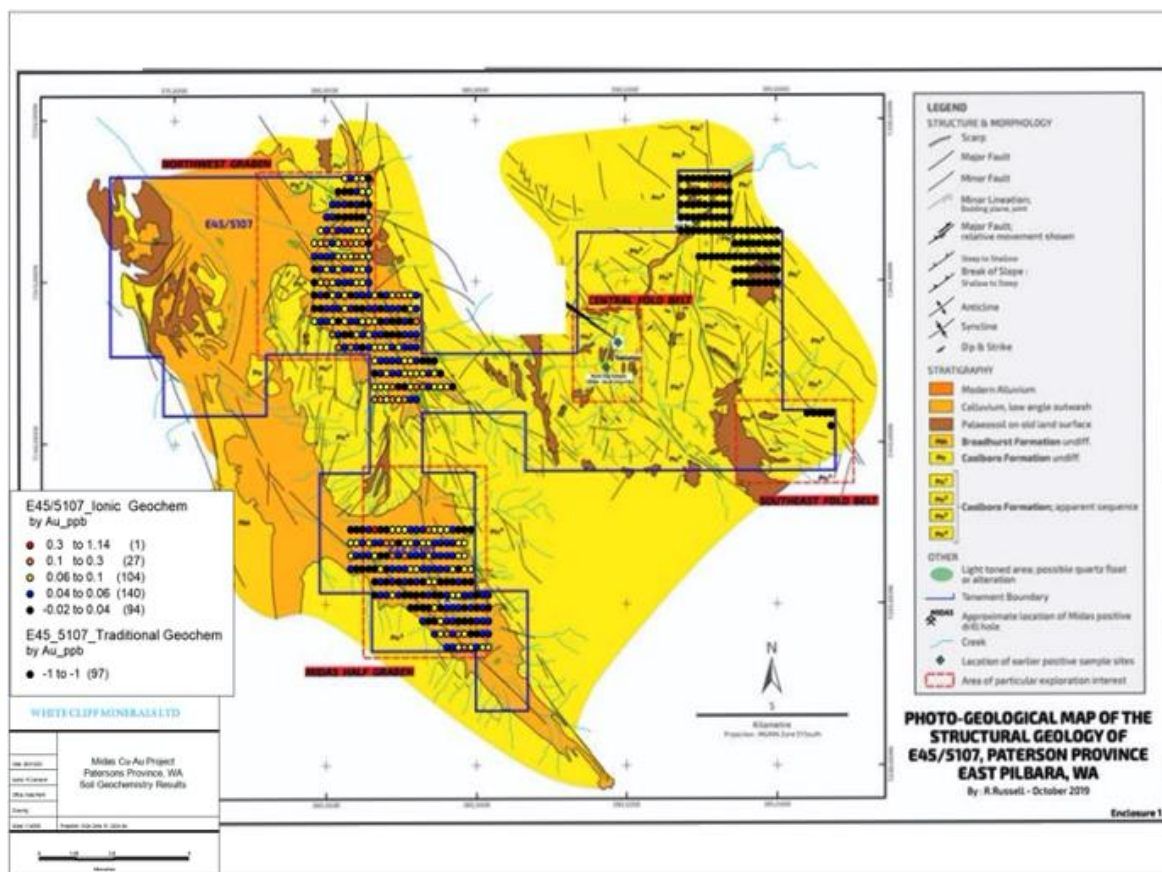
## Soil Sampling Program

On 29 January 2021, the Company announced the results of the soil sampling program undertaken at the Midas project in H2 2020. During the multi-week program, 502 samples were taken across 5 of 7 priority target areas identified by the Company. Samples were analysed by ALS Laboratories in Perth in two batches, for multi-element traditional and IONIC Leach™ analysis. Ionic Leach™ soil geochemistry sampling was conducted over the North West Graben and the Midas Graben which were suited to this low-level mobile ion technique due to the alluvial cover.

The conventional soil geochemistry sampling, conducted over the Eastern Coolbro Creek geochemical target was deemed more appropriate for the soil type identified in the field by the Company Geologist. All samples were sent to ALS Laboratories in Perth for multi-element assay. The sampling program covered 5 of the priority target areas across E45/5107 (Figures 7 and 8). The remoteness of the area, coupled with harsh terrain in the Central and Eastern Areas, excluded sampling over the Central Fold Belt (which includes the Table Top prospect) and the Southeast Fold Belt. Results from the samples points that could be safely collected are lower than anticipated, however there still remains untested areas within the tenement.



**Figure 7:** Broad low-level copper anomalism returned from the Ionic Leach™ geochemistry sampling over the Northwest and Midas Half Grabens, with sporadic copper anomalism across what was safely sampled at the Coolbro Creek Prospect using traditional geochemistry which produces results an order of magnitude higher than what the Ionic Leach™ analysis produces and thus shouldn't be compared.



**Figure 8:** Traditional gold soil geochemistry and an order of magnitude higher Ionic Leach™ results covering 5 of the 7 priority prospects

### Australian Cobalt-Nickel Projects (100% owned)

The Company has a 100% interest in two nickel and cobalt projects in the north-eastern goldfields of Western Australia. Substantial work has been conducted during the year and is detailed in the following sections. The projects, Ghan Well and Coronation Dam, are located close to multiple operating mines serviced by substantial existing infrastructure such as roads, telecommunications, power, gas and with access to a skilled workforce. They are all within trucking distance of Glencore's Murrin Murrin nickel-cobalt processing plant and other proposed processing facilities that could potentially pose an option for monetising resources.

### Metallurgical Test work on Nickel Cobalt Laterites

The Company is in discussions with its metallurgical consultants with regards to initial testwork to be undertaken on samples from both Coronation Dam and Ghan Well, with a view to better understanding the potential value of the respective orebodies. The key issues to be investigated are the acid leach response of the nickel and cobalt values, the acid consumption during leaching, and the suitability of the ore for heap leach methods as practiced at the nearby Murrin Murrin Joint Venture.

Currently Glencore processes nickel laterite ores at its Murrin Murrin operations, which is 90kms from Coronation Dam and only 25kms from Ghan Well. The nickel resource grades at the Company's projects are comparable to those currently being processed at Murrin Murrin, which may provide White Cliff with a future option to blend or toll treat ore.

### Merolia Gold Project

As announced 16 November 2020, the upfront consideration for the sale of Merolia was ~A\$274,000, consisting of A\$112,500 cash and 734,470 ordinary shares in LSE-listed exploration company, Panther Metals PLC (**Panther**) (50% of the consideration shares will be subject to 6 months voluntary escrow from



the date of issue and the other 50% will be subject to 12 months voluntary escrow from the date of issue). Additionally, White Cliff is entitled to an A\$1.25 per ounce of gold resource declared within the Merolia Gold Project area, in accordance with the JORC or equivalent reporting code(s).

On 17 December 2020, the Company announced that the sale of Merolia Gold Project has completed.

### **Corporate**

#### ***Issue of Securities***

On 8 October 2020, the Company issued 30,000,000 fully paid ordinary shares to the vendors of the Reedy South Gold Project. The consideration shares are subject to 6 months voluntary escrow.

On 30 November 2020, the Company issued 45,000,000 unlisted options exercisable at \$0.047 each expiring 30 November 2023 to directors following shareholder approval.

During the quarter, the Company issued 534,967 shares following conversion of listed options (WCNOE).

#### ***Small Scale Sale Facility***

On 19 October 2020, the Company announced that it had established a sale facility for shareholders with holdings valued at less than A\$500 (**Facility**). The Facility closed on 4 December 2020, with 4,548,610 ordinary shares from 1,075 shareholders acquired via the Facility.

#### **Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 13 and forms part of the directors' report for the half-year ended 31 December 2020.

This report is signed in accordance with a resolution of directors made pursuant to section 306(3) of the Corporations Act 2001.

**Daniel Smith**  
**Non-executive Director**



**Perth**  
**26 February 2021**

#### **Competent Person Statement**

The Information in this report that relates to exploration results, mineral resources or ore reserves is based on information compiled by Mr Edward Mead, who is a member of the Australian Institute of Mining and Metallurgy. Mr Mead is a Director and consultant of the Company. Mr Mead has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves (the JORC Code)'. Mr Mead consents to the inclusion of this information in the form and context in which it appears in this report.

#### **Exploration Results and Mineral Resource Reporting**

The information in this report that relates to Mineral Resources is extracted from the following announcements:

Maiden Gold Resource at Reedy South dated 29 October 2020

Maiden Nickel-Cobalt Resource at Coronation Dam dated 25 March 2019

Maiden Nickel-Cobalt Resource at Ghan Well dated 18 April 2019

The above announcements are available to view at <http://wcminerals.com.au/asx-announcements/>.

The Company is not aware of any new information that materially affects the information included in the above announcements relating to relating to Exploration Results and Mineral Resources and all material assumptions and technical parameters underpinning the exploration Mineral Resource estimates continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons findings are presented have not been materially modified from original market announcements

## AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of White Cliff Minerals Limited for the half-year ended 31 December 2020, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) any applicable code of professional conduct in relation to the review.

Perth, Western Australia  
26 February 2021



**L Di Giallonardo**  
Partner

**hlb.com.au**

**HLB Mann Judd (WA Partnership) ABN 22 193 232 714**

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HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.



**Condensed Consolidated Statement of Profit or Loss and Other  
Comprehensive Income  
For the half-year ended 31 December 2020**

	Note	31 December 2020 \$	31 December 2019 \$
Revenue from continuing operations			
Interest income		261	433
Other income		210,959	15,000
		<u>211,220</u>	<u>15,433</u>
Fair value gain on financial assets	3	745,899	257,815
Consulting fees		16,000	84,030
Depreciation		8,655	10,502
Employee benefits		62,004	65,626
Exploration expenditure incurred		620,693	85,803
Foreign exchange losses		77,779	25,617
Interest		-	6
Other expenses		201,121	183,552
Share based payment expense		1,011,430	4,153
		<u>1,251,783</u>	<u>201,474</u>
<b>Loss before income tax expense</b>		<b>(1,040,563)</b>	<b>(186,041)</b>
Income tax benefit		-	-
Loss from continuing operations		<u>(1,040,563)</u>	<u>(186,041)</u>
Net profit after tax from discontinued operations		-	1,824,557
<b>Net (loss)/profit for the period</b>		<b>(1,040,563)</b>	<b>1,638,516</b>
Other comprehensive income, net of tax		-	-
<b>Total comprehensive (loss)/income for the period</b>		<b>(1,040,563)</b>	<b>1,638,516</b>
		<u>Cents</u>	<u>Cents</u>
Basic (loss) earnings per share (cents per share)		(0.21)	0.35
Basic loss per share from continuing operations (cents per share)		(0.21)	(0.04)

*The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.*

**Condensed Consolidated Statement of Financial Position  
As at 31 December 2020**

		31 December 2020	30 June 2020
	Note	\$	\$
<b>Current Assets</b>			
Cash and cash equivalents		1,308,071	2,150,887
Financial assets held at fair value through profit or loss	3	1,718,735	1,392,198
Trade and other receivables		137,595	5,736
Prepayments		18,704	8,797
<b>Total Current Assets</b>		<b>3,183,105</b>	<b>3,557,618</b>
<b>Non-Current Assets</b>			
Plant and equipment		9,600	18,255
Exploration project acquisition costs	2	1,140,871	222,486
<b>Total Non-Current Assets</b>		<b>1,150,471</b>	<b>240,741</b>
<b>Total Assets</b>		<b>4,333,576</b>	<b>3,798,359</b>
<b>Current Liabilities</b>			
Trade and other payables		112,895	54,823
Deferred consideration	2	48,565	-
<b>Total Current Liabilities</b>		<b>161,460</b>	<b>54,823</b>
<b>Non-current Liabilities</b>			
Deferred consideration	2	92,989	-
<b>Total Non-current Liabilities</b>		<b>92,989</b>	<b>-</b>
<b>Total Liabilities</b>		<b>254,449</b>	<b>54,823</b>
<b>Net Assets</b>		<b>4,079,127</b>	<b>3,743,536</b>
<b>Equity</b>			
Issued capital	4	33,198,657	32,833,933
Reserves		1,600,514	589,084
Accumulated losses		(30,720,044)	(29,679,481)
<b>Total Equity</b>		<b>4,079,127</b>	<b>3,743,536</b>

*The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.*

**Condensed Consolidated Statement of Changes in Equity**  
**For the half-year ended 31 December 2020**

	Issued capital	Accumulated losses	Reserves	Total equity
	\$	\$	\$	\$
<b>Opening balance as at 30 June 2019</b>	<b>32,736,433</b>	<b>(31,493,369)</b>	<b>562,703</b>	<b>1,805,767</b>
Profit for the period	-	1,638,516	-	1,638,516
Other comprehensive income	-	-	-	-
Total comprehensive income for period	-	1,638,516	-	1,638,516
Share based payments	-	-	4,153	4,153
<b>Balance at 31 December 2019</b>	<b>32,736,433</b>	<b>29,854,853</b>	<b>566,856</b>	<b>3,448,436</b>
<b>Opening balance as at 30 June 2020</b>	<b>32,833,933</b>	<b>(29,679,481)</b>	<b>589,084</b>	<b>3,743,536</b>
Loss for the period	-	(1,040,563)	-	(1,040,563)
Other comprehensive income	-	-	-	-
Total comprehensive loss for period	-	(1,040,563)	-	(1,040,563)
Shares issued during the year	368,024	-	-	368,024
Capital raising costs (cash)	(3,300)	-	-	(3,300)
Share based payments	-	-	1,011,430	1,011,430
<b>Balance at 31 December 2020</b>	<b>33,198,657</b>	<b>(30,720,044)</b>	<b>1,600,514</b>	<b>4,079,127</b>

*The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.*

**Condensed Consolidated Statement of Cash Flows**  
**For the half-year ended 31 December 2020**

	31 December 2020 Inflows/(Outflows) \$	31 December 2019 Inflows/(Outflows) \$
<b>Cash flows from operating activities</b>		
Interest received	261	433
Receipts from customers	-	15,000
Government grant receipts	10,000	-
Payments to suppliers and employees	(315,753)	(367,994)
Payments for exploration and evaluation	(668,331)	(423,236)
Interest paid	-	(6)
<b>Net cash (outflow) from operating activities</b>	<b>(973,823)</b>	<b>(775,803)</b>
<b>Cash flows from investing activities</b>		
Payments for tenement acquisitions	(488,201)	-
Proceeds from sale of tenements (net of disposal costs)	112,500	2,852,974
Proceeds from sale of equity investments	579,762	-
Payments for property, plant and equipment	-	(1,277)
<b>Net cash inflow from investing activities</b>	<b>204,061</b>	<b>2,851,697</b>
<b>Cash flows from financing activities</b>		
Proceeds from the issue of securities	8,025	-
Capital raising costs	(3,300)	-
<b>Net cash inflow from financing activities</b>	<b>4,725</b>	<b>-</b>
<b>Net (decrease)/increase in cash held</b>	<b>(765,037)</b>	<b>2,075,894</b>
<b>Cash at the beginning of the reporting period</b>	<b>2,150,887</b>	<b>369,311</b>
<b>Effects of exchange rate changes on cash held</b>	<b>(77,779)</b>	<b>(25,630)</b>
<b>Cash at the end of the reporting period</b>	<b>1,308,071</b>	<b>2,419,575</b>

*The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.*

**Notes to the condensed consolidated financial statements  
For the half-year ended 31 December 2020**

**Note 1: Basis of preparation of interim report**

*Statement of compliance*

This general purpose financial report for the interim half-year reporting period ended 31 December 2020 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Act 2001* and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 '*Interim Financial Reporting*'.

The half-year financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2020 and any public announcements made by White Cliff Minerals Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and ASX Listing Rules.

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

*Basis of preparation*

The half-year report has been prepared on a historical cost basis, with the exception of equity instruments which are stated at fair value. Cost is based on the fair value of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted. For the purpose of preparing the interim report, the half-year has been treated as a discrete reporting period.

*Going concern*

The financial report has been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

*Significant accounting judgments and key estimates*

The preparation of half-year financial reports requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.



**Note 1: Basis of preparation of interim report (cont)**

In preparing this half-year report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Group when compiling its annual 30 June 2020 financial statements.

*Adoption of new and revised accounting standards*

*Standards and Interpretations applicable to 31 December 2020*

In the half-year ended 31 December 2020 the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group's operations and effective for annual reporting periods beginning on or after 1 July 2020. As a result of this the Directors have determined that there is no impact, material or otherwise, of the standards and interpretations in issue not yet adopted on the Group's business and, therefore, no change is necessary to the Group's accounting policies.

*Standards and Interpretations in issue not yet adopted*

The Directors have also reviewed all new Standards and Interpretations in issue not yet adopted for the half-year ended 31 December 2020. As a result of this the Directors have determined that there is no impact, material or otherwise, of the standards and interpretations in issue not yet adopted on the Group's business and, therefore, no change is necessary to the Group's accounting policies.

**Note 2: Exploration project acquisition costs**

	<b>Consolidated</b>	
	<b>Six months</b>	Twelve months
	<b>ended</b>	ended
	<b>31 December</b>	30 June
	<b>2020</b>	2020
	<b>\$</b>	<b>\$</b>
Opening balance	<b>222,486</b>	124,986
Project acquisition costs (i)	<b>990,325</b>	97,500
Project disposal (ii)	<b>(71,940)</b>	-
Acquisition costs in respect of areas of interest in the exploration phase	<b>1,140,871</b>	222,486

The recoverability of deferred project acquisition costs is dependent upon the successful development and commercial exploitation, or alternately the sale of the areas of interest.

(i) On 8 October 2020 the company completed the acquisition of the Reedy South Gold Project for a combination of cash consideration of \$550,000 (including deferred consideration of \$150,000) and the issue of 25 million shares valued at \$300,000. The deferred consideration is payable in \$50,000 instalments on the anniversary of completion for three years, and has a net present value of \$141,554.

On 8 October 2020 the company completed the acquisition of tenements from Bonanza Resources Pty Ltd for consideration of the issue of 5 million shares valued at \$60,000 and reimbursement of costs.

On 26 November 2020 the company completed the acquisition of the Cracker Jack Gold Project for cash consideration of \$29,206.

(ii) On 17 December 2020 the company completed the sale of the Merolia Gold Project for cash consideration of \$112,500 and 734,470 ordinary shares in Panther Metals PLC (valued at \$160,400 at the date of sale).

**Note 3: Financial assets at fair value through profit or loss**

	Six months ended 31 December 2020 \$	Twelve months ended 30 June 2020 \$
<b>RTG Mining Inc.</b>		
Opening balance	1,392,198	-
RTG Mining Ltd shares received as consideration on sale of the Company's interest in the Aucu project – at fair value	-	721,880
Disposal of shares	(579,762)	-
Fair value gain	711,114	670,318
	<u>1,523,550</u>	<u>1,392,198</u>
Fair value at 31 December 2020		
<b>Panther Metals PLC</b>	\$	\$
Opening balance	-	-
Panther Metals PLC shares received as consideration on sale of the Company's interest in the Meriolia Gold Project – at fair value	160,400	-
Fair value gain	34,785	-
	<u>195,185</u>	<u>-</u>
Fair value at 31 December 2020		
Total	<u>1,718,735</u>	<u>1,392,198</u>

**Note 4: Issued capital**

	31 December 2020 \$	30 June 2020 \$
<b>(a) Ordinary shares issued</b>		
517,134,849 (30 June 2020: 486,599,882) ordinary shares	<u>33,198,657</u>	<u>32,833,933</u>

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings. In the event of winding up of the parent entity, ordinary shareholders rank after all creditors and are fully entitled to any proceeds on liquidation.

**(b) Movements in ordinary shares**

Date	Details	Number of shares	Issue Price \$
<b>30 June 2019</b>		<u>470,349,882</u>	<u>32,736,433</u>
20 May 2020	Acquisition of Hobbs & Heugh Pty Ltd	16,250,000	97,500
<b>30 June 2020</b>		<u>486,599,882</u>	<u>32,833,933</u>
8 October 2020	Acquisition of Reedy South Project and Bonanza tenements (note 2)	30,000,000	360,000
11 November 2020	Exercise of options	534,967	8,024
	Capital raising costs		(3,300)
<b>31 December 2020</b>		<u>517,134,849</u>	<u>33,198,657</u>

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**Note 5: Options**

	<b>Number of options</b>	
	<b>31 December 2020</b>	<b>30 June 2020</b>
<b>(a) Options on issue</b>		
Unlisted Gleneagle Series A Options exercisable at \$0.25 on or before 31 July 2020	-	5,000,000
Unlisted Gleneagle Series B Options exercisable at \$0.50 on or before 31 July 2020	-	5,000,000
Listed options exercisable at \$0.015 on or before 28 February 2024	<b>289,833,621</b>	290,368,588
Listed options exercisable at \$0.045 on or before 30 September 2020	-	155,483,480
Unlisted Options exercisable at \$0.015 expiring 31 January 2024	<b>50,000,000</b>	50,000,000
Unlisted options exercisable at \$0.047 each expiring 30 November 2023	<b>45,000,000</b>	-
	<b>384,833,621</b>	<b>505,852,068</b>

	<b>Number of options</b>	
	<b>Six months ended 31 December 2020</b>	<b>Twelve months ended 30 June 2020</b>
<b>(b) Movements in share options</b>		
Unlisted Gleneagle Series A Options to acquire ordinary fully paid shares at \$0.25 on or before 31 July 2020:		
Beginning of the period	<b>5,000,000</b>	<b>5,000,000</b>
Expired during the period	<b>(5,000,000)</b>	-
Balance at end of financial period	<b>-</b>	<b>5,000,000</b>
Unlisted Gleneagle Series B Options to acquire ordinary fully paid shares at \$0.25 on or before 31 July 2020:		
Beginning of the period	<b>5,000,000</b>	<b>5,000,000</b>
Expired during the period	<b>(5,000,000)</b>	-
Balance at end of period	<b>-</b>	<b>5,000,000</b>
Listed Options to acquire ordinary fully paid shares at \$0.015 on or before 28 February 2024:		
Beginning of the period	<b>290,368,588</b>	<b>290,371,588</b>
Less: options exercised	<b>(534,967)</b>	<b>(3,000)</b>
Balance at end of period	<b>289,833,621</b>	<b>290,368,588</b>
Unlisted Options to acquire ordinary fully paid shares at \$0.045 on or before 30 September 2020		
Beginning of the period	<b>155,483,480</b>	<b>155,483,480</b>
Issued during period	-	-
Balance at end of period	<b>155,483,480</b>	<b>155,483,480</b>
Unlisted Options (incentive options) to acquire ordinary fully paid shares at \$0.015 on or before 31 January 2024 (see valuation details below)		
Beginning of the period	<b>50,000,000</b>	-
Issued during period	-	<b>50,000,000</b>
Balance at end of period	<b>50,000,000</b>	<b>50,000,000</b>

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**(b) Movements in share options (cont)**

Unlisted Options (incentive options) to acquire ordinary fully paid shares at \$0.047 on or before 30 November 2023 (see valuation details below)

	Number of options	
	Six months ended 31 December 2020	Twelve months ended 30 June 2020
Beginning of the period	-	-
Issued during period	45,000,000	-
Balance at end of period	45,000,000	-

**Note 6: Share based payments**

Share based payments consists of options and performance rights issued to directors and consultants. The expense is recognised in the Statement of Profit or Loss and Other Comprehensive Income and Statement of Changes in Equity over the vesting periods of the options and rights. The following share-based payment arrangements were in place during the current year:

Type	Number	Grant date	Expiry Date	Exercise price \$	Fair value
Gleneagle Series A Options <sup>1</sup>	5,000,000	10/1/18	31/7/2020	0.25	\$182,625
Gleneagle Series B Options	5,000,000	10/1/18	31/7/2020	0.50	\$70,590
2017 Performance rights <sup>2</sup>	3,470,000	25/10/2017	31/12/2020	-	\$542,062
September 2020 Options	51,000,000	13/03/2019	28/02/2024	0.015	\$150,098
Director 2019 Options	50,000,000	27/11/2019	31/01/2024	0.015	\$26,381
Director 2020 Options <sup>3</sup>	45,000,000	30/11/2020	30/11/2023	0.047	\$988,957

<sup>1</sup> Options expired during the current period.

<sup>2</sup> Performance rights expired during the current period.

**<sup>3</sup>Option Valuation**

The following performance based incentive options were issued to directors during the period and valued using the Black & Scholes methodology with the following inputs:

Value of underlying security	\$0.030
Exercise price	\$0.047
Valuation date	30 Nov 2020
Life of the Options (years)	3.0
Volatility	142%
Risk-free rate	0.25%
Dividend yield	nil
Number of Options	45,000,000
Value per Option	\$0.022
Expensed during period	\$988,957

**Note 7: Contingent liabilities**

There have been no changes in contingent liabilities since the last annual reporting period.

**Note 8: Financial Instruments**

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting period, with the exception of the Group's investment in equity instruments which is grouped into Level 1 of the fair value hierarchy. These equity instruments are valued using quoted prices in an active market.

The Directors consider that the carrying value of the current receivables and current payables are a reasonable approximation of their fair value.

**Note 9: Subsequent events**

There are no matters or circumstances that have arisen since 31 December 2020 that may significantly affect operations, results or state of affairs of the Group in future financial years.



### **Directors' Declaration**

In the directors' opinion:

- (a) the financial statements and notes set out on pages 14 to 23 are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory and professional reporting requirements; and
  - (ii) giving a true and fair view of the Group's financial position as at 31 December 2020 and of its performance as represented by the results of its operations, changes in equity and its cash flows for the half-year ended 31 December 2020; and
- (b) there are reasonable grounds to believe that White Cliff Minerals Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors made pursuant to S305 (5) of the *Corporations Act 2001*.



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**Daniel Smith**  
**Non-executive Director**

**Perth**  
**26 February 2021**

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of White Cliff Minerals Limited

### Report on the Condensed Half-Year Financial Report

#### *Conclusion*

We have reviewed the accompanying half-year financial report of White Cliff Minerals Limited ("the company") which comprises the condensed consolidated statement of financial position as at 31 December 2020, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes, and the directors' declaration, for the Group comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of White Cliff Minerals Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### *Directors' responsibility for the half-year financial report*

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

#### *Auditor's responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2020 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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*Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

*HLB Mann Judd*

**HLB Mann Judd**  
**Chartered Accountants**

**Perth, Western Australia**  
**26 February 2021**

*L Di Giallonardo*

**L Di Giallonardo**  
**Partner**